REMARKS

Claims 21-40 are currently pending. Claims 21, 30, 39, and 40 have been amended to more particularly point out the claimed subject matter. Claim 33 been amended to correct a typographical error.

Claim Objections

Claim 33 was objected to for depending from a cancelled claim. The present amendment obviates this rejection.

Rejections under 35 U.S.C. 112

Claims 21, 30, and 40 were rejected under 35 U.S.C. 112 because the phrase "not readily detectible" is allegedly indefinite. The present amendments obviate this rejection.

Rejections under 35 U.S.C. 103

Our discussion of the prior art rejections focuses only on the independent claims (i.e. claims 21, 30, and 40). As the Examiner will appreciate, should the independent claims be shown to be patentable over the cited references, then narrower dependent claims are by definition patentable over the same references. Applicants reserve the right to make additional arguments in favor of the dependent claims at later time.

Claims 21, 30, and 40 have been rejected under 35 U.S.C. 103 as being unpatentable over Schneier, in view of Parry (US 2002/0164997 A1). Essentially, the Office Action states that Schneier discloses transmitting an encryption key between a first and second device, wherein the encryption key is used to encrypt and decrypt data for subsequent transmissions between the first and second devices. The Office Action acknowledges that Schneier fails to disclose that the transmission is wireless and that the devices are confined within a room and that the encoded encryption key is not detectible outside of the room. However, the Office Action alleges that Parry teaches the limitations not taught by Schneier.

Parry is directed to a system wherein one or more computing devices (reference numeral 12 throughout Parry) are used to define a zone and then selectively permit

wireless communication access between devices 12 and additional computing devices (reference numeral 14) depending on the location of devices 14 with reference to the zone. In other words, devices 14 can talk to devices 12 only if computers 14 are within the defined zone. *See, for example*, Parry abstract.

While Parry is directed to controlling communication between devices depending on the location of the devices relative to a defined zone, Parry accomplishes this in a much different way than the presently claimed invention. The devices of Parry include a distance/location module 26, which can optionally be assisted by a global positioning satellite system 20. *See* Parry, paragraph [0024]. Parry describes two methods of establishing the "zones," which determine whether devices 12 and 14 will be allowed to communicate with each other. According to one method, each device 12 having a distance/location module 26 communicates wirelessly to identify distance/location between devices 12, thereby constructing an electronic map of the position of the devices 12. *See* Parry, paragraph [0034]. The mapped positions correspond to the landmarks that establish the boundaries of the zone. *Id.* The second method described by Parry uses a global satellite positioning system to determine the absolute position of each of the devices 12 or uses an administrator to measure the boundaries of the desired pattern and enter that data into the devices 12. *See* Parry, paragraph [0035]. While Parry does mention that the boundaries can of the zone can correspond to a physical boundary such as a walled room or building (paragraph [0032], cited in Office Action), there is no requirement that they do so and there is no teaching in Parry that the walls play any part in establishing the zone.

The independent claims have been amended to more particularly point out that the signal encoding the encryption key is contained by the walls of a room. Having the encryption key signal contained within the walls of a room eliminates the need for the distance/location module required by Parry. According to the present claims, the second device can receive the encryption key from the first device only if the two devices are the same room because the encryption signal can not penetrate the walls of the room. Parry does not teach transmitting an encryption key using a stream that is unable to penetrate the walls of a room.

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Based on the above, Applicant respectfully submits that the claims are patentable over the cited arc and requests that a Notice of Allowance issue for these claims.

Respectfully submitted,

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